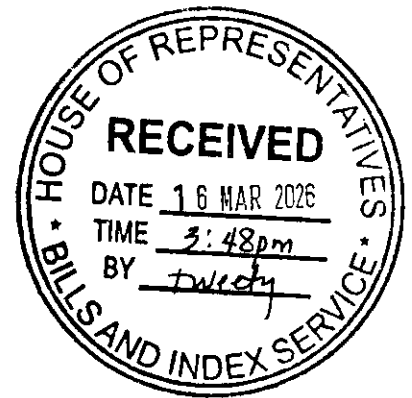


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Twentieth Congress
First Regular Session

House Bill No. **8542**



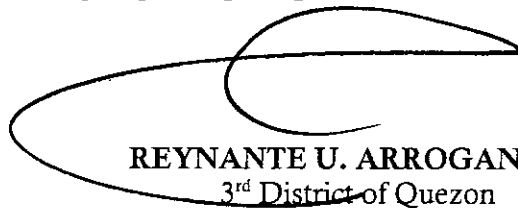
Introduced by Representative Reynante U. Arrogancia

EXPLANATORY NOTE

The objective of the agrarian reform is to help farmers out of the poverty and economic difficulty. Our farmers are vulnerable against the risks that comes with agriculture. The provision of full insurance coverage for Agrarian Reform Beneficiaries (ARBs) against the agricultural risks would help mitigate the vulnerability of our farmers against natural disasters, typhoons, pests and diseases. A full insurance coverage could provide the financial relief and compensable losses to affected ARBs to enable them to replant and continue with food production.

This bill seeks a comprehensive insurance coverage on crops, livestock, fisheries and non-crop assets for ARBs to protect them from high risks associated in agriculture. This bill provides this additional form of support service for the beneficiaries who are tilling the land and crops as certified by the Department of Agrarian Reform (DAR). The initial funding shall be charged against the Philippine Crop Insurance Corporation and will eventually be included in the General Appropriations Act.

A similar version of this bill has passed the third reading in the 19th Congress of the House Representatives. In view of the foregoing, the passage of this bill is earnestly sought.



REYNANTE U. ARROGANCIA
3rd District of Quezon

Republic of the Philippines
HOUSE OF REPRESENTATIVES
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Twentieth Congress
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House Bill No. **8542**

Introduced by Representative Reynante U. Arrogancia

AN ACT
GRANTING FULL INSURANCE COVERAGE TO ALL QUALIFIED
AGRARIAN REFORM BENEFICIARIES OF THE COMPREHENSIVE
AGRARIAN REFORM PROGRAM, AMENDING FOR THE PURPOSE
REPUBLIC ACT NO. 6657, AS AMENDED BY REPUBLIC ACT NO. 9700,
OTHERWISE KNOWN AS THE "COMPREHENSIVE AGRARIAN REFORM
LAW OF 1988"

Be it enacted by the Senate and the House of Representatives of the Philippines in Congress assembled:

1 **SECTION 1.** Section 37 of Republic Act No. 6657, as amended, is hereby further
2 amended to read as follows:

3
4 "SEC. 37. Support Services for the Agrarian Reform Beneficiaries. - The State
5 shall adopt the integrated policy of support services delivery to agrarian reform
6 beneficiaries. To this end, the DAR, the Department of Finance, and the *Bangko Sentral*
7 *ng Pilipinas* shall institute reforms to liberalize access to credit by agrarian reform
8 beneficiaries. The PARC shall ensure that support services for agrarian reform
9 beneficiaries are provided, such as:

10
11 "(a) xxx;
12 "(e) xxx; **[and]**
13 "(f) xxx

14
15 "The Bagong Kilusang Kabuhayan sa Kaunlaran (BKKK) Secretariat shall be transferred
16 and attached to the LBP, for its supervision including all its applicable and existing funds,
17 personnel, properties, equipment and records. [.]; **AND**

18
19 **"(G) FULL INSURANCE COVERAGE FOR COMPENSABLE LOSSES TO ALL**
20 **QUALIFIED AGRARIAN REFORM BENEFICIARIES, WHO ARE ACTUALLY**
21 **TILLING THE LAND AND HAVE MADE INVESTMENTS IN ANY OF THE OF**
22 **THE FOLLOWING:**

23 i. **GROWING CROPS OR STOCKS IN FISHERIES FARMS;**

- 25 ii. **PRODUCTION INPUTS;**
- 26 iii. **OTHER FARMING IMPLEMENTS;**
- 27 iv. **OTHER NON-CROP AGRICULTURAL ASSETS NECESSARY IN THE**
- 28 **CULTIVATION, HARVESTING, STORAGE AND HOUSING OF SUCH**
- 29 **CROPS OR STOCKS IN FISHERIES FARMS; OR**
- 30 v. **LIVESTOCK AS CERTIFIED BY THE DEPARTMENT OF AGRARIAN**
- 31 **REFORM (DAR).**

32
33 **THE DAR SHALL PROVIDE THE PROCEDURES FOR SUCH**
34 **REGISTRATION AND CERTIFICATION OF ACTUAL BENEFICIARIES**
35 **AND FARMING INVESTMENTS AND PROJECTS UNDERTAKEN BY**
36 **SUCH. FOR PURPOSES OF THIS SECTION, "QUALIFIED AGRARIAN**
37 **REFORM BENEFICIARIES" SHALL BE AS DEFINED IN SECTION 3(b) OF**
38 **REPUBLIC ACT NO. 10000, OTHERWISE KNOWN AS THE "AGRI-AGRA**
39 **REFORM CREDIT ACT OF 2009'.**

40
41 **COMPENSABLE LOSSES INCLUDE THOSE RESULTING FROM:**

- 42
43 i. **NATURAL CALAMITIES SUCH AS TYPHOON, FLOOD, DROUGHT,**
- 44 **EARTHQUAKE, VOLCANIC ERUPTION, FROST, AND OTHER**
- 45 **DESTRUCTIVE NATURAL PHENOMENA SUCH AS HEAT AND HOT**
- 46 **WIND;**
- 47 ii. **PLANT DISEASES CAUSED BY PATHOGENS, BACTERIA, FUNGI,**
- 48 **VIRUSES, VIRUS-LIKE PATHOGENS, AND OTHER SIMILAR**
- 49 **FOREIGN BODIES;**
- 50 iii. **PEST INFESTATIONS CAUSED BY NEMATODES, INSECTS, MITES**
- 51 **AND SPIDERS, MILLPEDES AND CENTIPEDES, SYMPHYLANS,**
- 52 **SLUGS AND SNAILS, SOW BUGS AND PILLBUGS, PARASITIC**
- 53 **HIGHER PLANTS, AND OTHER PARASITES; AND**
- 54 iv. **LOSS OF LIFE OR INJURY TO THE QUALIFIED AGRARIAN**
- 55 **REFORM BENEFICIARY DUE TO ACCIDENT OR ANY OF THE**
- 56 **AFOREMENTIONED CAUSES.**

57
58 **"THE FOLLOWING CROPS AND OTHER FARMING AND FISHERY**
59 **PRODUCE ARE COVERED:**

- 60
61 i. **PALAY, CORN, SUGARCANE, HIGH-VALUE CROPS AS DEFINED**
- 62 **IN SECTION 4(b) OF REPUBLIC ACT NO. 7900, OTHERWISE**
- 63 **KNOWN AS THE HIGH-VALUE CROPS DEVELOPMENT ACT OF**
- 64 **1995', COCONUT, TOBACCO;**
- 65 ii. **CROPS OR STOCKS IN FISHERIES FARMS;**
- 66 iii. **LIVESTOCK; AND**
- 67 iv. **NON-CROP AGRICULTURAL ASSETS USED IN ACTUAL FARMING**
- 68 **AND REPORTED TO AND CERTIFIED BY THE DAR.**

69
70 **"Misuse or diversion of the financial and support services herein provided shall result in**
71 **sanctions against the beneficiary guilty thereof, including the forfeiture of the land**
72 **transferred to him/her or lesser sanctions, as may be provided by the PARC, without**
73 **prejudice to criminal prosecution."**

74 "THE SECRETARY OF THE DA AND THE SECRETARY OF THE DAR SHALL
75 IMMEDIATELY INCLUDE IN THEIR DEPARTMENTS' PROGRAMS THE
76 OPERATIONALIZATION OF THIS INSURANCE COVERAGE, THE INITIAL
77 FUNDING FOR WHICH SHALL BE CHARGED AGAINST THE CURRENT
78 APPROPRIATIONS OF THE PHILIPPINE CROP INSURANCE CORPORATION
79 (PCIC) FOR THE REGISTERED BENEFICIARIES UNDER THE RSBSA.
80 THEREAFTER, PROJECTIONS OF THE ANNUAL PREMIUM REQUIREMENT
81 SHALL BE SUBMITTED BY THE PCIC AND THE DAR TO THE PRESIDENT
82 WHO SHALL INCLUDE IN THE ANNUAL GENERAL APPROPRIATIONS ACT
83 THE NECESSARY BUDGET FOR THE INSURANCE COVERAGE MANDATED
84 IN THIS ACT: *PROVIDED*, THAT IN CASE OF INSUFFICIENCY OF THE
85 INITIAL FUND TO COVER ALL QUALIFIED ARBS AND LEASEHOLDERS,
86 COVERAGE SHALL BE PRIORITIZED IN THE FOLLOWING MANNER: FIFTY
87 PERCENT (50%) TO THOSE NEWLY INSTALLED AND QUALIFIED ARBS
88 WITH ISSUED CERTIFICATE OF LANDOWNERSHIP AWARDS (CLOAs) OR
89 LEASEHOLD INSTRUMENTS, IN DESCENDING CHRONOLOGICAL ORDER;
90 AND THE REMAINING FIFTY PERCENT (50%) TO THOSE EARLIEST
91 INSTALLED AND QUALIFIED ARBS WITH ISSUED EMANCIPATION
92 PATENTS/CLOAs OR LEASEHOLD INSTRUMENTS, IN ASCENDING
93 CHRONOLOGICAL ORDER; *PROVIDED FURTHER*, THAT ADDITIONAL
94 QUALIFIED ARBS AND LEASEHOLDERS SHALL BE COVERED YEARLY
95 BASED ON ANNUAL PROJECTIONS, AND IN THE SAME MANNER AS
96 PROVIDED, UNTIL SUCH TIME THAT ALL QUALIFIED ARBS AND
97 LEASEHOLDERS ARE COVERED UNDER THIS ACT."

98
99 "FURTHER, A CONGRESSIONAL OVERSIGHT COMMITTEE FOR THE FULL
100 INSURANCE COVERAGE OF AGRARIAN REFORM BENEFICIARIES
101 (COCFICARB) IS HEREBY CREATED. IT SHALL BE COMPOSED OF THE
102 CHAIRPERSON OF THE COMMITTEE ON AGRICULTURE, FOOD AND
103 AGRARIAN REFORM OF THE SENATE OF THE PHILIPPINES, THREE (3)
104 MEMBERS OF THE HOUSE OF REPRESENTATIVES, AND THREE (3)
105 MEMBERS OF THE SENATE OF THE PHILIPPINES, TO BE DESIGNATED
106 RESPECTIVELY BY THE SPEAKER OF THE HOUSE OF REPRESENTATIVES
107 AND THE PRESIDENT OF THE SENATE OF THE PHILIPPINES."

108
109 **SEC. 2.** Within thirty (30) days from the effectivity of this Act, the DAR, shall, in
110 coordination with the Landbank of the Philippines submit to the Department of
111 Agriculture (DA), the complete list of qualified ARBs and leaseholders to be included in
112 the Registry System for Basic Sectors in Agriculture (RSBSA), their respective locations,
113 and size of landholdings.

114
115 **SEC. 3.** Within thirty (30) days from the approval of this Act, the DAR, shall, in
116 coordination with the DA, PCIC, and Department of Budget and Management, issue the
117 rules and regulations for the effective implementation of this Act.

118
119 **SEC. 4.** All laws, acts, decrees, executive orders, issuances, and rules and regulations or
120 parts thereof which are contrary to and inconsistent with this Act are hereby repealed,
121 amended, or modified accordingly.

122 **SEC. 5.** This Act shall take effect fifteen (15) days after its publication in the Official
123 Gazette or in a newspaper of general circulation.
124
125 *Approved,*